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Agenda Item 6b

May 17, 2011

TO: MEMBERS OF THE BENEFITS AND PROGRAM ADMINISTRATION COMMITTEE

- I. SUBJECT:** Customer Services and Support Performance Measures
- II. PROGRAM:** Customer Services and Support
- III. RECOMMENDATION:** Information
- IV. ANALYSIS:**

Attached are the FY 2010-2011 Third Quarter Customer Services and Support Performance Management dashboard reports. The summary status report from the most recent quarter is provided as Attachment A. The dashboard reports for the most recent quarter are provided as Attachment B.

As a result of the recent organizational restructure the names of several reporting divisions have changed. Customer Services and Support Group now reports dashboards from the former Member and Benefit Services Branch and Employer Services Division. Customer Service and Outreach Division replaces the former Employer Services (ERSD) and Customer Service and Education Division (CSED). Customer Account Services replaces Member Services Division (MBSD) dashboards. Benefit Services Division dashboards do not change.

For the sake of continuity and clarity, dashboard numbering remains as it has been; with the exception that ERSD dashboards now include the suffix "ER". These four dashboards are first, followed by the former MBSB dashboards. The advent of my|CalPERS and the recent organizational changes will provide an opportunity to revisit all of these metrics to ensure that we are providing meaningful information in a timely manner.

Some metrics are not on target due in part to our most experienced staff being redirected to Pension System Resumption Project activities and continued high workload volumes. Service level volatility and decreased service levels will likely continue for the next two to three quarters as a result of workload issues surrounding Project implementation.

Customer Service and Outreach reports a total of nine dashboards for performance measures related to customer service and telephone contact. Four of these dashboards, Attachments B-1 ER through B-4 ER, relate to employer inquiries. All four of these dashboards are on target.

Attachments B-1 through B-5 reflect measures for member inquiries. Attachments B-2, call answer rate, and B-3, average wait time, have changed from green to yellow. High call volumes continued in the third quarter, with first of the year phone calls regarding health and dental premiums, and tax related questions. This impacted our ability to meet service levels during January and February. In March, call volumes remained high due to increased media attention surrounding pension reform.

The Customer Account Services Division reports six dashboards for performance measures related to service credit cost requests, elections to purchase service credit, and retirement estimates, Attachments B-6 through B-11. Attachments B-6 and B-7 relate to service credit cost requests. Cost requests are processed on a first-in, first-out basis. Attachment B-6, percent of service credit costing requests completed over the number received, remains green. Staff completed more requests than were received, thereby reducing the backlog. Attachment B-7, percentage of requests completed within 90 days of receipt, is currently red due to the continued backlog.

After falling in the second quarter, service credit requests increased slightly in the third quarter. This may be due to upcoming June retirements and the proposed measure that would eliminate Additional Retirement Service Credit. Workload reprioritization, staff redirection, and voluntary staff overtime are being used to address the most critical workload.

Attachments B-8 and B-9 relate to service credit election requests. Attachment B-8 is green because staff completed more requests than were received, reducing total inventory. Attachment B-9 is yellow because the amount of requests greater than 30 days increased slightly.

Attachments B-10 and B-11 relate to retirement estimate requests. Attachment B-10, percentage of estimate requests completed within 5 days of receipt, is currently red. Increased staff use of vacation during the quarter and a temporary productivity dip due to the migration to Windows 7 resulted in a 74 percent completion rate, down from 81 percent in the prior quarter. Attachment B-11, percentage of estimate requests completed within 30 days of receipt remained green. This was the fifth consecutive quarter of at least 97 percent completion.

Benefit Services Division reports seven dashboards for performance measures related to service and disability retirement, allowance adjustments, pre and post retirement death benefits, and refunds, Attachments B-12 through B-18. During the third quarter, Attachment B-13, service retirement allowance adjustments, is yellow. Unprecedented increases in service retirement applications and associated payments in prior quarters continue to negatively impact our service level for adjustments. We will continue to monitor each workload for sustained performance as more focused attention is directed to the Pension System Resumption Project in the next 6 months.

Attachment B-17, disability retirement determinations, remains green with 71 percent of determinations made within 6 months of receipt of a complete application. Factors that may delay the determination beyond the six month timeframe include whether the submitted documents are complete and accurate, whether an Independent Medical Examination is required, the level of member cooperation, and any special handling of a case. Considering these challenges, the program has either met or exceeded and maintained the Board-Approved Effectiveness Measures for the past three quarters. Additionally, the program has maintained an average of 85-90% of workable cases below the six-month time frame. This is an improvement from last year where the workable inventory below six months was at 79%.

V. STRATEGIC PLAN:

This project supports the CalPERS Strategic Plan. The performance measurements described in the attachments are directly aligned to the CalPERS strategic goals.

VI. RESULTS/COSTS:

These Performance Management dashboard reports were implemented in the fourth quarter of fiscal year 2006-07 to replace the Effectiveness Measures previously reported to the Board. There are no new costs associated with the implementation and administration of the new Performance Management process.

DONNA RAMEL LUM
Deputy Executive Officer
Customer Services and Support

Attachments